

Bank4Study

2016

BANKING CURRENT AFFAIRS

“SEPTEMBER – 2016”

Made with  By *Bank4Study* Team

Banking Current Affairs

(News Related To Banks Only 1st - 30th September 2016)

Banks may soon urge customers to link Aadhaar to account via ATM

- Banks will soon be urging users through ATMs, internet banking portals and mobile banking applications to link their Aadhaar number to their bank accounts in line with an aggressive government drive.

3 small banks set to start operations soon

- 3 out of the 10 provisionally licensed small banks are set to begin operations soon.
- The Reserve Bank of India has issued the final licence to Capital Local Area Bank, Suryodaya and newly listed Equitas.

ICICI Bank to pick up 10% stake in Resurgent Power

- ICICI Bank will make 10 per cent investment in equity capital of Resurgent Power Ventures (RPV), a power platform created to facilitate investment in power projects in India by ICICI Group and Tata Group.
- Other investors are Caisse de depot et placement du Quebec (CDPQ) of Canada, Kuwait Investment Authority and State General Reserve Fund of Oman.

Banks can accept cash deposits under IDS - RBI

- The Reserve Bank of India (RBI) has instructed banks to accept cash deposits at the counter from people declaring unaccounted wealth under the Income Declaration Scheme (IDS).
- The RBI has instructed the banks to invariably accept cash deposits from all the declarants under the (IDS) Scheme and to accept cash deposits, irrespective of amount, over the counters, for making payment.
- The scheme, which is open till September 30, provides an opportunity to persons who have not paid full taxes in the past to come forward and declare their undisclosed income and assets.
- IDS came into effect for a period of four months starting from June 1 this year.

RBI cancels registration certificate of

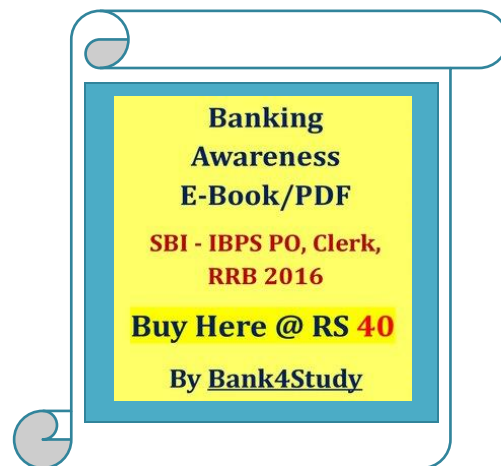
5 NBFCs

- RBI cancels registration certificate of Simco Consultants, Lunkad Securities, Rajvir Marketing and Investment, Crystal Investments, and Shri Jaya Investments Agency.
- The NBFCs which surrendered the certificate are Texas Resources and Vivek Vyapar.
- The registration certificates of the two Kolkatta based entities stands cancelled.

No closures, only branch relocations after SBI merger:

Arundhati Bhattacharya

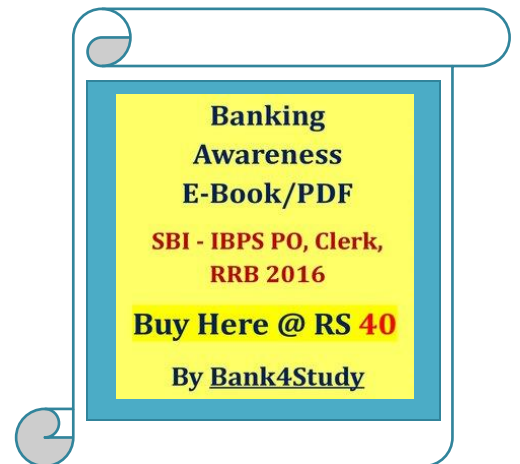
- The State Bank of India (SBI) may relocate some branches after the merger of its associate banks, but none of them will be shut down.
- The merged entity, which will have a network of more than 24,000 branches, will continue to have the same number of branches.



- The country's largest lender is looking to add \$120 billion (Rs 8 lakh crore) in assets after the merger of State Bank of Bikaner and Jaipur, State bank of Travancore, State Bank of Patiala, State Bank of Hyderabad and State Bank of Maharashtra, besides the Bharatiya Mahila Bank.
- This will catapult SBI into the top 50 banks globally, expecting the process to get completed by March 2017.
- The bank is already a 'Fortune 500' company.

Western Union counts on small businesses to catch up with peers

- Western Union, the world's largest money transfer company, is seeking to diversify its business in India by providing small exporters the opportunity to receive money from their clients abroad through their network.
- It has applied to the RBI to be able to process outward remittances from the country.



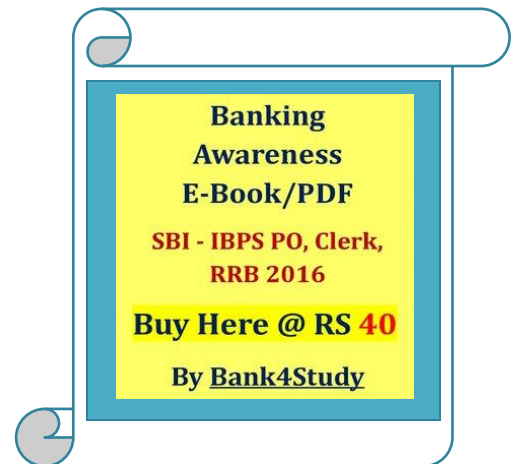
UPI spreads the net to rope in 10-15 e-tailers; eBay, MakeMyTrip, Pepperfry likely to join

- The government-backed Unified Payments Interface (UPI), a system that allows money to be transferred between bank accounts through smartphones, could rope 10-15 ecommerce merchants.
- So far, person-to-person transactions are taking place on the UPI platform, which was launched by NPCI and the Reserve Bank of India on August 25, with the participation of 21 banks.
- Online merchants including eBay, MakeMyTrip and Pepperfry are joining the UPI network soon, along with Bharat Sanchar Nigam Ltd, Mahanagar Telephone Nigam Ltd. and Idea Cellular for mobile bill payments.

- The Indian Railway Catering & Tourism Corporation, which operates the widely used train ticket booking website, may also join the UPI platform to offer customers an instant payment option.
- Flipkart-owned PhonePe has already launched its app based on the UPI platform

NCR set to attain 1 lakh ATMs milestone

- NCR, one of the largest manufacturers of automatic teller machine, is set to attain a milestone by installing 1,00,000th next month.
- India has only 130 ATMs per 10 lakh people versus 350/10 lakh in China and 1500/10 lakh in US
- HDFC Bank launched APTRA eMarketing initiative, which allows the bank to market all its financial products through the machine. The "10-second loan" campaign is a point in case. NCR is associated with this.



Bank deposits growth jumps to a 10-year high

- Bank deposits growth rate has surged to its highest in more than a decade in two weeks to September 2 aided by the flow from the 7th Pay Commission payments and the credit-to-deposit ratio doubled to 14%, though it is still a fraction of what it used to be in peak.
- In the fortnight ended September 2, the period when the revised salary was credited to employees' accounts, bank deposits rose 1.3% to Rs 1.3 lakh crore. This is almost a fifth (Rs 5.3 lakh crore) of what banks have raised in the fiscal so far.

Bank of India sells 18 % stake in insurance JV to partner

Dai-ichi Life

- BOI has sold 18 % stake in the insurance joint venture Star Union Dai-ichi Life Insurance Company Ltd (SUD) to its Japanese partner.

DCB Bank launches its own UPI app

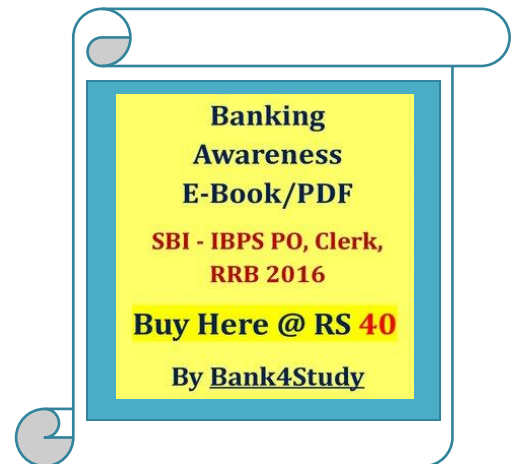
- Private sector lender DCB Bank launched Unified Payment Interface (UPI) application.
- DCB UPI app helps send and receive funds anytime, anywhere, from their smart phones.
- A DCB UPI user only needs the beneficiary's phone number registered with the bank and the beneficiary bank's name to get or send funds.

SAARC countries reach out to NPCI for payments switch

- SAARC countries reach out to NPCI, which is a Reserve Bank of India(RBI)-backed entity, for payments switch
- NPCI has already hosted delegates from Thailand and Tanzania and will be hosting representatives from south Asian nations soon.

ICICI eyes 5 mn transactions via voice-recognition

- ICICI Bank has brought 32 lakh customers under the voice recognition service for phone banking and is aiming to conduct 50 lakh transactions via this facility by the end of this fiscal.
- The bank has deployed voice recognition technology that verifies a caller's identity through natural conversation by analysing over 100 characteristics including voice modulation, speed, accent and pronunciation.

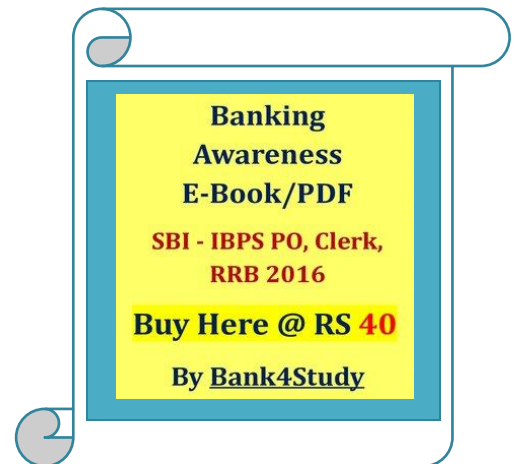


Update KYC by Oct 1, or face account block: PNB to customers

- PNB has asked its customers whose accounts are due for KYC update to do so by October 1, failing which it may block all their banking transactions including ATM, point of sale or Internet mobile banking transactions for your account.
- Customers have to submit a valid identity and address proof of officially valid documents at their respective branches.
- KYC is a process of updating information about customers to ensure bank services are not misused.

Andhra Bank ties up with Cigna TTK, Reliance General Insurance

- Andhra Bank has entered into corporate agency agreements with Cigna TTK Company Ltd, and Reliance General Insurance Company Ltd for providing health and general insurance respectively, to its customers.



UBI receives Rs 608 crore capital infusion from government

- State-owned United Bank of India (UBI) has received Rs 608 crore capital infusion from the government.

Parvez Ahmad appointed Chairman of J&K Bank

- Parvez Ahmad has appointed as Chairman and Chief Executive Officer (CEO) of the Jammu & Kashmir Bank for a period of three years with effect from October 6, 2016.

SBI Chairman Arundhati Bhattacharya gets a year's extension

- Government has given one-year extension to SBI chief Arundhati Bhattacharya amid the lender's consolidation with its associate banks.

ING Group NV to sell stake in Kotak Mahindra Bank via block deal

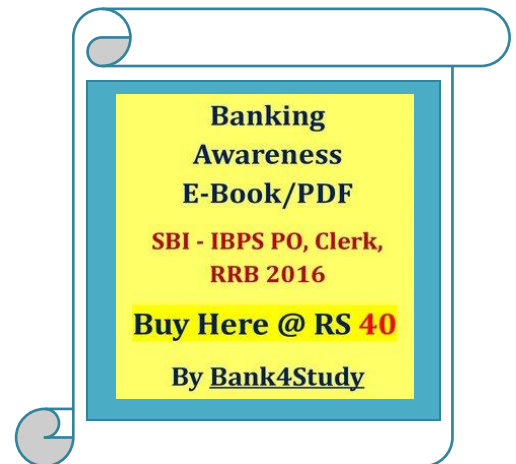
- Dutch lender ING Group NV is selling a part of its stake in private sector Kotak Mahindra Bank to raise up to \$550 million (Rs 3,654 crore) close.

ICICI Bank crosses 1 lakh registrations on its UPI app

- ICICI Bank, has crossed 1 lakh Virtual Payment Addresses (VPA) on Unified Payments Interface (UPI) within three weeks of its launch.

India less prone to banking crises : Bank for International Settlements

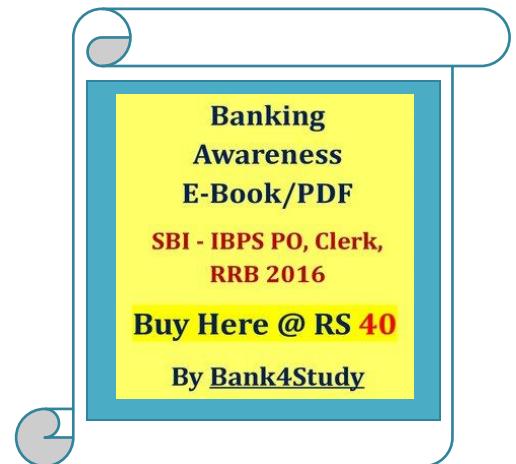
- India is less vulnerable to banking distress among the major economies while neighbouring China faces higher risks.
- Data compiled by BIS of more than 40 economies show that credit-to-GDP gap was among the least for India in the first quarter of this year.
- In the first quarter of 2016, India's credit-to-GDP gap stood at -2.9, also the lowest among the BRIC group of nations, as per BIS data. The same stood at -3.0 in the three months ended December 2015.



- Among other major economies, the credit-to-GDP gap of United States was -9.9, United Kingdom (-27.0), Germany (-6.1), France (-0.6) and Switzerland (7.2) in the first quarter of this year.
- BIS is the world's oldest international financial organisation, and has 60 member central banks, including RBI, representing countries that together make up for about 95 per cent of the world GDP.

Federal Bank launches second Federal Skill Academy at Coimbatore

- Federal Bank has launched its second Federal Skill Academy at Coimbatore, Tamil Nadu.
- The academy has been launched as part of its Corporate Social Responsibility initiatives.
- The Academy at Coimbatore will be initially providing an in-demand CNC Machine Operator Certificate Course in Milling & Turning which will be certified by COINDIA.
- The first Academy was inaugurated last year at Ernakulam, Kerala.



SBI launches upgraded online trading platform

- In a digital initiative by State Bank of India, subsidiary SBICAP Securities launched an upgraded version of its online trading platform - sbismart.com.
- The new HTML5 platform will be accessible across all devices such as smart phones, tablets and desktops.
- The platform also offers customers other products and services, such as home and car loans apart from guides and educational content for investors.

Union Government notifies constitution of Monetary Policy Committee

- The Union Government has notified the constitution of the six members Monetary Policy Committee (MPC).
- In this regard, the Union Finance Minister has used powers designated under the section 45ZB of the Reserve Bank of India (RBI) Act, 1934 to constitute MPC.

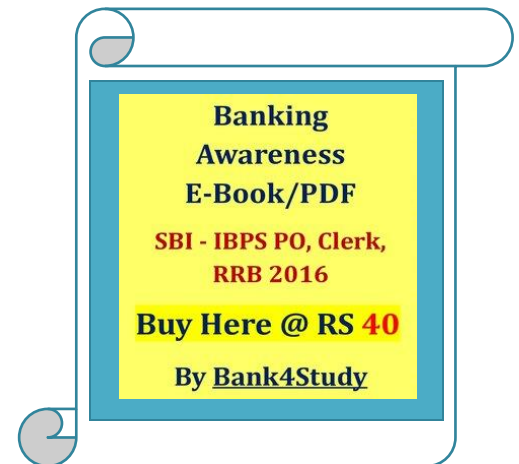
Composition of MPC

1. Urjit Patel: RBI Governor (Chairperson).
2. R Gandhi: Deputy Governor RBI in charge of Monetary Policy (Member).
3. Michael Patra: Executive Director of RBI (Member).
4. Chetan Ghate: Professor, Indian Statistical Institute (ISI) (Member).
5. Professor Pami Dua: Director, Delhi School of Economics (DSE) (Member).
6. Ravindra H. Dholakia: Professor Indian Institute of Management (IIM), Ahmedabad (Member).

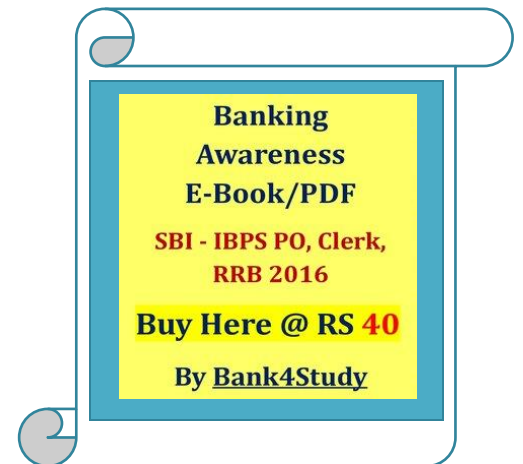
With this, MPC's composition consists of three Reserve Bank of India (RBI) representatives and three external appointees. They will work to decide interest rates. RBI will be represented by Governor Urjit Patel (Chairman of MPC), Deputy Governor in-charge of monetary policy R. Gandhi and executive director M.D. Patra.

About Monetary Policy Committee (MPC)

- MPC under the RBI will decide monetary policy by setting interest rates. It aims to bring significant changes in the power the RBI governor while deciding interest rates.



- The RBI will set interest rates according to the majority view of the six-member MPC, with the Governor having the casting vote in case of a tie.
- MPC replaces previous arrangement where RBI Governor along with a Technical Advisory Committee (TAC) taking decisions on monetary policy including setting interest rates.
- In the previous arrangement TAC was only having advisory functions and the RBI Governor enjoyed veto power over the committee in setting interest rates.
- Thus, it is expected to bring “value and transparency” to monetary policy decisions taken by central banks which have far-reaching implications on economy, investors, savers and borrowers.
- Functions: Administer the inflation targeting monetary policy regime through determining the interest rates (policy rate or repo rate) to contain inflation.
- It will decide the changes to be made to the interest rates to contain inflation within the target level set under the inflation targeting regime.
- It will meet at least four times a year and make public its decisions following each meeting.
- Structure: MPC is formed under the RBI with six members. Three members will be from the RBI while the other three members will be appointed by the Central Government.
- Members from the RBI are Governor who is the chairman of the MPC, a Deputy Governor and one officer of the RBI.
- The government members to MPC will be appointed by the Central Government on recommendations of a search-cum-selection committee headed by the Cabinet Secretary.

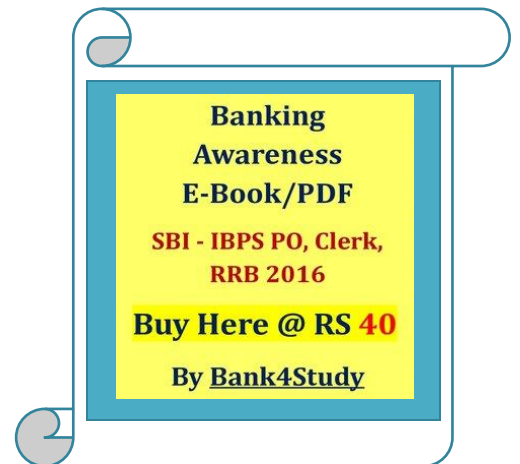


ICICI Bank : First bank to introduce Software Robotics for power banking operations

- India's largest private sector bank ICICI Bank has successfully deployed 'Software Robotics' for power banking operations.
- With this, it becomes first bank in the country and among few globally to deploy 'Software Robotics'.
- ICICI Bank has deployed Software Robotics to over 200 business processes across various functions.
- The 200 business processes include retail banking operations, agri-business, trade & foreign exchange, treasury and human resources management, among others.

Key Facts

- In banking, software robotics emulates human actions to automate and perform repetitive, high volume and time consuming business tasks cutting across multiple applications.
- It leverages recent advancements in artificial intelligence such as facial and voice recognition, machine learning, natural language processing, and bots among others.
- The software robots can perform over 10 lakh (1 million) banking transactions every working day.
- The software robots at ICICI Bank are configured to capture and interpret information from systems, recognize patterns and run business processes across multiple applications.
- Besides, it can execute activities including data entry and validation, automated formatting, workflow acceleration, multi-format message creation, text mining, reconciliations and currency exchange rate processing among others.



Just Dial gets RBI's in-principle nod for its prepaid wallet

- Local search engine Just Dial has got in-principle nod from the Reserve Bank of India (RBI) for launching its prepaid wallet.
- It got approval for issuing and operating payment system for semi closed pre-paid payment instrument service.

Anuradha Rao appointed as MD, CEO of SBI Mutual Fund

SBI raises Rs 2,100 cr by issuing perpetual bonds to Yes Bank

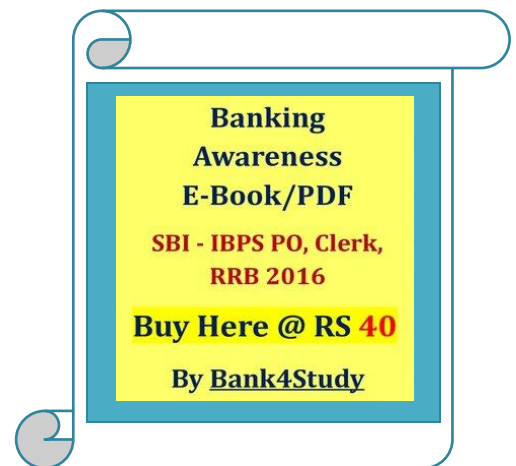
- Country's largest lender State Bank of India has raised Rs 2,100 crore by allotting Basel III compliant perpetual bonds to Yes Bank.

Fintech firm Trupay starts mobile payment service under UPI

- Fintech start-up Trupay has started offering mobile payment services under the Unified Payment Interface (UPI).
- Trupay enables users to send and receive money from their bank accounts with only a phone number.

Equitas Small Finance Bank begins operations from Chennai

- Equitas Small Finance Bank (ESFBL) started its operations from Chennai with services opening in three branches.
- This is the first private sector bank from Tamil Nadu post independence



- By the end of 2016-17 fiscal, Equitas Bank plans to have a network of 412 branches across 11 states.

PNB ropes in Virat Kohli as brand ambassador

- Punjab National Bank has roped in Indian test skipper Virat Kohli as brand ambassador to improve its bad loans.

Kotak Mahindra Bank launches app to open accounts

- Private lender Kotak Mahindra Bank (KMB) has launched an application 'Kotak Now' that would allow new customers to open an account.

Yes Bank partners fintech startup

NiYO

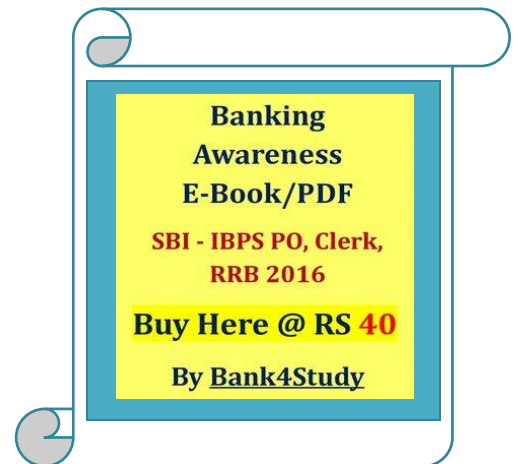
- India's fifth largest private sector bank – Yes Bank, has partnered with fintech startup NiYO to launch "Yes Bank NiYO Benefits Card" which will help organisations in handling employee benefits and enable employees to claim their benefits easily.

Bangladesh's Junaid Ahmad new World Bank head in India

- Junaid Ahmad has become the World Bank's Country Director for India, replacing Onno Ruhl who served a four-year term based out of the national capital.

Jim Yong Kim re-appointed as World Bank President

- Jim Yong Kim has been re-appointed for a second five-year term as World Bank president, beginning July 1, next year, the bank announced.



Adhere to timeline on EMV chip based cards: RBI to banks

- The Reserve Bank of India (RBI) asked banks to replace existing magnetic stripe only cards to EMV Chip and PIN based cards by the deadline of December 2018 and no extension will be given.
- These cards enhance security and risk mitigation in card transactions.

Axis Bank, BHU team up for banking

courses

- Axis Bank has tied-up with Banaras Hindu University (BHU) to offer specialised banking courses.
- The partnership will offer courses like Masters in Commerce (MCom), Master of Financial Management (MFM), Master of Financial Management (Risk & Insurance) MFM - RI, Master of Foreign Trade (MFT).

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DCB Bank launches mobile payment service for retail outlets

- Private sector DCB Bank launched a mobile based payment solution, mVisa, for easier retail payment.
- "mVisa, a mobile-based payment solution will make payments at retail outlets much easier.

PSU Banks Head, Taglines & Year of establishment

PSU Banks	Year	Taglines	MD/CMD/CEO
Allahabad Bank	1865	A tradition of trust	Rakesh Sethi

Andhra Bank	1923	For all your needs, Where India Banks	Suresh N Patel
Bank of Baroda	1908	India's International Bank	P.S Jayakumar
Bank of India	1906	Relationship beyond banking	Melwyn Rego
Bank of Maharashtra	1935	One Family One Bank	Sushil Muhnot
Bhartiya Mahila Bank	2013	Empowering Women	Usha Ananthasubramanian
Canara Bank	1906	Together we can	Rakesh Sharma
Central Bank of India	1911	Central To you Since 1911	Rajeev Rishi
Corporation Bank	1906	India's Most Customer Friendly Bank, A Premier Public Sector Bank	Jai Kumar Garg
Dena Bank	1938	Trusted Family Bank	Ashwini Kumar
ECGC Bank	1957	You focus on exports. We cover the risks	
IDBI Bank	1964	Banking For All, "Aao Sochein Bada"	Kishor Piraji
Indian Bank	1907	Your tech friendly bank	Mahesh Kumar Jain
Indian Overseas Bank	1937	Good people to grow with	R Koteswaram
Oriental Bank of Commerce	1943	Where every individual is committed	Animesh Chauhan
Punjab National Bank	1894	The name you can bank	Usha

		upon	Ananthasubramanian
Punjab & Sind Bank	1906	Where service is way of life	Jitender Bir Singh
Syndicate Bank	1925	Faithful Friendly	Arun Shrivastava
Union Bank of India	1919	Good people to bank with	Arun Tiwari
United Bank of India	1950	The Bank That Begins With 'U'	P Srinivas
UCO Bank	1943	Honours Your Trust	Ravi Krishan Takkar
Vijaya Bank	1931	A friend you can bank on	Kishor Kumar Shansi
State Bank of India	1955	With you all the way, Pure Banking Nothing Else, The Nation's banks on us	Arundhati Bhattacharya

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